



**AMSELCO  
MINERALS INC.**

999 Eighteenth Street, Suite 1201  
Denver, Colorado 80202-2484  
Telephone: (303) 292-6722  
Telex: 450069  
Facsimile: (303) 298-1294

December 19, 1985

Mr. Thomas Benjamin Rainsford  
Rainsford and Sons  
P.O. Box 486  
Edgefield, SC 29824

RE: Mineral Lease Agreement Dated December 14, 1974  
McCormick County, South Carolina

Dear Mr. Rainsford:

I am in receipt of your letter dated December 16, 1985 regarding the transfer of interest in the 113.4 Acre Parcel located in McCormick County, South Carolina.

I understand your desire to have the 1099 for 1985 reflect the \$7,500.00 advance royalty payment to John Rainsford, Jr. realized as income to Rainsford and Sons, a General Partnership, rather than to John Rainsford, Jr. for 1985.

The problem is that check number 5186, made payable to John Rainsford, Jr. has been presented for payment in 1985 and the 1099 will reflect that income to him. If John Rainsford, Jr. were to reimburse Amselco for this amount and a new check were to be drafted and made payable to the partnership, in 1985, the 1099 for 1985 would reflect the income to Rainsford and Sons.

This could still be done in early January, but the income to the partnership would then be realized in 1986 instead of 1985.

Regardless of what you decide, any transfer of interest on our records will need to be documented by some instrument reflecting the change in ownership.

Please feel free to contact me should you have any questions.

Sincerely,

David G. Dehlin  
Land Administrator

DGD/mlc

cc: R. D. Sampson  
C. A. Stephens  
P. W. Prescott  
D. J. Duskin



10755153